SAN PEDRO BAY PORTS

Clean Air Action Plan Implementation Stakeholder Advisory Meeting MEETING SUMMARY November 21, 2024

The meeting was held in person at 411 W. Ocean Blvd in Long Beach and webcasted live via WebEx. The presentations provided at the meeting can be found <u>here</u>.

1. Welcome

• Renee Moilanen, Port of Long Beach (POLB) Director of Environmental Planning and Lisa Wunder, Port of Los Angeles (POLA) Acting Director of Environmental Management provided opening remarks.

2. San Pedro Bay Ports 2023 Emissions Inventory

- The Ports noted that they released their 2023 Emission Inventories (EI) on their respective websites and presented the joint results of the 2023 EI (see presentation for details).
- Public comments and questions including Port Staff responses:
 - A clarification on TEU (Twenty-foot Equivalent Unit) throughput for the various comparisons was provided. Throughput had decreased from 2022 to 2023 and 2017 to 2023. However, throughput overall has increased when compared between 2005 and 2023.

3. Status Update on Technology Advancements & Grants

- The Ports provided a presentation on their joint Technology Advancement Program (TAP) and their large grant funded projects (see presentation for details).
- Public comments and questions including Port staff responses:
 - What criteria is used to determine if a project should be funded? Ports responded that a TAP advisory committee comprised of US EPA, California Air Resources Board, California Energy Commission, South Coast Air Quality Management District, and both Ports review and recommend projects to be funded. There is more criteria information available on the CAAP TAP website.
 - What is the standard for determining if a project is going to happen without TAP funding and a decision is made not to provide TAP funding? For the specific project in question, the project had a restrictive implementation timeline due to an existing grant obligation and TAP funding would not have been available to meet that timeline. Ports typically fund a project regardless



Port of Long Beach | Environmental Planning 415 W. Ocean Blvd | Long Beach, CA 90802 562.283.7100



Port of Los Angeles | Environmental Management 425 S. Palos Verdes Street | San Pedro, CA 90731 310.732.3675 The San Pedro Bay Ports Clean Air Action Plan was developed with the participation and cooperation of the staff of the US Environmental Protection Agency, California Air Resources Board and the South Coast Air Quality Management District. of timelines if the project is deemed appropriate to fund by the TAP advisory committee.

- For the TAP concept papers involving trucks, were the specific truck manufacturers and models identified? Ports received preliminary information, but only one concept paper named a specific truck manufacturer. The Ports requested full proposals from the applicants to get more information.
- Are the proposers in TAP required to identify the equipment used in the project? Ports responded that proposers must identify the equipment to be used in the demonstration.
- A comment was made that electrification is coming and Ports need to be prepared.
- Where is the LNG for the LNG fueled vessels coming from? The vessels are being privately fueled by West Coast Clean Fuels, but the TAP funding was not used for fueling. In addition, the TAP projects involving the LNG vessels have been completed.
- Are the hydrogen projects fuel cell? All projects involving hydrogen in the Ports are fuel cell. There is no current projects or proposals for the use of hydrogen combustion technology.
- Are the lead applicant and locations for the projects publicly available? The information becomes publicly available once the projects go to each Ports' respective Boards for approval.

4. Status Update on 2024 Feasibility Studies

- The Ports' consultant, ICF, presented on the status of the 2024 Truck Feasibility Study (see presentation for details).
- Public comments and questions including Port staff responses:
 - How was operator load/weight calculated for the truck feasibility study? Port consultant stated it was based on survey responses from Licensed Motor Carriers (LMCs). Calculations are a straight average and median from the results.
 - Would an average or median be more appropriate value to use to determine feasibility for trucks? Median would be a more appropriate calculation to help determine what a truck can or cannot do.
 - Offer was made to help with outreach to LMCs to get more responses to the truck survey. Ports welcomed the assistance and would provide the link to the survey.
 - Clarification on calculating truck costs was requested. The cost calculation includes the base cost of the truck, estimated insurance costs, and taxes.
 - Comment was made that actual insurance costs are higher than the insurance costs listed in the presentation and that the size of the company would affect the ability to get better rates. The Ports' consultant stated assumptions had to be made based on the survey data provided and requested assistance in obtaining more data.
 - A comment was made that some of the Zero Emission (ZE) trucks in the feasibility study are no longer for sale or have never been sold.
 - Does the cost modeling account for the removal of various taxes? The Ports' consultant responded that the economic analysis was done in a way that

various factors such as tax exemptions or incentives could be added or removed to formulate various scenarios.

- How has residual value been calculated or accounted for? The Ports' consultants have found it difficult to calculated residual value as there is currently no secondary market for ZE trucks to which it can be compared.
- A commenter cautioned the use of California Air Resources Board Advanced Clean Fleets calculations for residual value of ZE trucks.
- Ports' consultant, Burns & McDonnell presented on the status of the 2024 Cargo-Handling Equipment (CHE) study (see presentation for details).
- Public comments and questions including Port staff responses:
 - A comment was made to clarify the type of operations or duty cycles assumed for the ZE CHE as part of the feasibility study because rail operations is more rigorous than ship operations.
 - Does the CHE feasibility study have an uptime threshold to determine if the equipment is feasible? The Ports' consultant said the 2024 feasibility study is a snapshot of the current equipment status. For future reports, the feasibility study could include a threshold for reliability, but it was not included in the 2024 feasibility study. Additionally, it was noted that as the next generations of equipment are built, the reliability of the equipment should increase.
 - Comment was made that previous CHE feasibility study did not account for various factors such as battery life being shorter than diesel equipment, the cost of battery replacement and/or total equipment replacement, and changes in electricity cost due to demand. Also, some terminals are factoring electricity costs and are building mitigation measures with battery storage or adjusting operations to avoid peak energy demand.
 - Comment was made that safety protocols and emergency response protocols need to be in place ahead of adoption of ZE CHE equipment.
 - Comment was made that electric vehicles are still in the early stages of adoption and will improve over time.
 - Question was asked if US manufacturers were looking into battery swapping technology. Ports stated that at this time no original equipment manufacturer has expressed interest in battery swapping technology.
 - General comment was made concerning what happens if the region is out of federal ozone attainment and has CARB discussed any plans with the Ports. Ports have not discussed federal non-attainment planning with CARB. Ports will continue to work towards our ZE goals and apply for grant funding transition to ZE. Ports did not have an update on U.S. Environmental Protection Agency waivers for CARB's various regulations. There was discussion regarding the potential for federal fines and sanctions if a State does not have a plan for meeting ozone attainment. Commenter stated that sanctions and fines are not given if the State's plan fails. A more likely outcome of not meeting ozone attainment will be higher permit fees and federal highway funds withholding.

5. Closing Remarks

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• Attendees in person and online were thanked for attending the meeting. Ports encouraged everyone to submit any further public comments to be sent to caap@cleanairactionplan.org.